

INDIANA MATH AND SCIENCE ACADEMY NORTH

2012-2013 Performance Analysis

Core Question 2: Is the organization effective and well-run?

2.1. Is the school in sound fiscal health?	
STANDARD	<p>2.1-1: The school demonstrates satisfactory performance in all areas identified: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default</p> <p>2.1-2: The school demonstrates satisfactory performance in all areas identified: 3 Year Aggregate Net Income, Debt to Asset Ratio, and Debt Service Coverage Ratio</p> <p>2.1-3: The school does not present concerns in the financial audit or financial reporting requirements</p>

2012-12 2.1-1 Performance: **Approached Standard**

Indicator	Ratio	Measures	Rating	2012-13	2012-13
2.1 Short Term Health	Enrollment Variance Ratio	Enrollment Ratio equals or exceeds 99%	Meets Standard	107%	Approaching
		Enrollment Ratio is between 90% - 98%	Approaching Standard		
		Enrollment Ratio is less than or equal to 89%	Does Not Meet Standard		
	Current Ratio	Current Ratio equals or exceeds 1.1	Meets Standard	1.09	
		Current Ratio is between 1.0 - 1.1	Approaching Standard		
		Current Ratio is less than or equal to 1.0	Does Not Meet Standard		
	Days Cash On Hand	Days cash on hand equals or exceeds 45 days	Meets Standard	16	
		Days cash on hand is between 30-45 days	Approaching Standard		
		Days cash on hand is less than or equal to 30 days	Does Not Meet Standard		
	Debt Default Evidence	Not in default or delinquent	Meets Standard	Meets	
Default or delinquent		Does Not Meet Standard			

Indiana Math and Science Academy North **approached** standard for core question 2.1-1 for the 2012-13 school year. Based on data from the September 2012 count day, the school exceeded the enrollment targets stated in its charter agreement. As a result, the school met standard for this sub-indicator. The school had slightly more current assets than current liabilities (those due in the next 12 months) and approached standard for this sub-indicator. Indiana Math and Science

Academy North ended the year with 16 days of cash on hand. This means that if payments to the school had stopped or been delayed post June 30, 2013, the school would have been able to operate for 16 more days. Based on this data, the school did not meet standard for this indicator. Finally, the school successfully met its debt obligations based on the information that Fitzgerald Isaac, the school's auditor, provided. Furthermore, there have been no negative communications from the school's lenders. Since the school met standard for two of the sub-indicators in core question 2.1-1, approached standard for one sub-indicator, and did not meet standard for the other, it approached standard for this section of the core question.

2012-12 2.1-2 Performance: Exceeds Standard

2.2 Long Term Health	3 Year Aggregate Net Income	Aggregate 3 year Net Income is positive and most recent year is positive	Meets Standard	NA	Exceeds
		Aggregate 3 year Net Income is positive and most recent year is negative	Approaching Standard		
	Net Income	Aggregate 3 year Net Income is negative	Does Not Meet Standard	\$24,700.00	
	Debt to Asset	Debt to asset ratio is less than or equal to 0.9	Meets Standard	0.35	
		Debt to asset ratio is between 0.9 - 0.95	Approaching Standard		
		Debt to asset ratio equals or exceeds 0.95	Does Not Meet Standard		
	Debt Service Coverage (DSC) Ratio	DSC ratio equals or exceeds 1.15	Meets Standard	38.48	
		DSC ratio is between 1.05- 1.15	Approaching Standard		
		DSC Ratio is less than or equal to 1.05	Does Not Meet Standard		

The school **exceeded** standard for core question 2.1-2. The school met standard for the net income sub-indicator in that it generated a negative net income for the fiscal year. It is important to note that this is the net income before non-operating revenues are considered. When non-operating revenues are included, the school's net income \$123,599 because it had to recognize a non-cash gain of \$98,899 resulting from the Common School Loan forgiveness. Page 9 of the school's audit explains how this calculation was derived. Additionally, the school met standard for the sub-indicator regarding debt to asset ratio. The school's assets exceed its debts. Finally, the school's debt service coverage ratio met standard. The only debts that qualify for inclusion in the debt service coverage are the school's capital leases. The school has \$7,389 due prior to

fiscal year end 2014. This is why the debt service coverage ratio appears to be extremely strong when compared to the targets. Since the school met standard for all of the sub-indicators it exceeded standard for core question 2.1-2.

2012-13 2.1-3 Performance: Meets Standard

2.3 Reporting Requirements	Annual Independent Accrual Based Audit	Receives a clean audit opinion	Meets Standard	Meets	Meets
		Receives a clean audit opinion with a few significant deficiencies noted but no material weaknesses	Approaching Standard		
		Receives an audit with multiple significant deficiencies, material weakness or is a going concern	Does Not Meet Standard		
	Financial Reporting Requirements	Satisfies all financial reporting requirements	Meets Standard	Meets	
		Fails to satisfy financial reporting requirements	Does Not Meet Standard		

The school **met** standard for core question 2.1-3. The school met standard for its annual accrual based audit because it received a clean audit with no material weaknesses or significant deficiencies. The school met its financial reporting requirements, and its audit report was issued on January 7, 2014.

2.2. Are the school's student enrollment, attendance, and retention rates strong?	
STANDARD	The school is consistently fully enrolled. Student attendance and retention rates are generally at or above the school's agreed-upon target rates.

2012-13 Performance: Meets Standard

IMSA-North exceeded its enrollment target for 2012-13. The following chart displays the school's target enrollment compared with its official fall enrollment, as reported by the IDOE.

Year	Target Enrollment	Fall Enrollment	Percent Below
2012-13	500	519	N/A

Source: Official fall enrollment figures from the IDOE. Target enrollment is the maximum capacity from the school's charter agreement with the Mayor's Office, submitted by the school.

The 2012-13 the attendance rate at IMSA-N was below averages of both the county and the state.

	IMSA-N	MC	IN
2012-13 Attendance rate	95.3%	95.7%	95.8%

No targets have been established for student retention rates for IMSA-North.

Based on the 2012-13 performance, IMSA-North **met** the Mayor's Office standard for this indicator because the school exceeded its enrollment targets and had an attendance rate only slightly below that of both the county and the state.

2.3. Is the school's Board active and competent in its oversight?	
STANDARD	The board's membership collectively contributes a broad skill set and fair representation of the community; board members are knowledgeable about the school; roles and responsibilities of the board are clearly delineated; board meetings reflect thoughtful discussion and progress in the consideration of issues; overall, the board provides consistent and competent stewardship of the school.

2012-13 Performance: **Approaching standard**

The Indiana Math and Science Academy North board was knowledgeable about the school and provided relatively competent oversight of the school. The board was comprised of eight members with professional expertise in the areas of education, community outreach and facilities management. The board could have added members with professional expertise in the areas of law and finance which would have provided critical skill sets that would have been beneficial to their oversight of the school. In addition to Indiana Math and Science Academy North, the board also oversaw Indiana Math and Science Academy West, which was authorized by Ball State University. The board met at the same time monthly to discuss both schools. The board worked well with Concept Schools, the school's Charter Management Organization (CMO). Concept Schools provided financial, operational, and academic management assistance to the school. The Board heavily relied on Concept Schools to fulfill to manage school operations.

The board chair, Dr. Kent Millard, is a founding and current board member. He was deeply committed to the mission of the school and worked to ensure that the board engaged in a manner that was conducive to the success of the school. Dr. Millard was engaged and took pride in promoting the school. Dr. Millard had a very good working relationship with Mr. John Aytekin, the school leader. Aytekin regularly contacted Dr. Millard to provide updates and information that was pertinent to ensure the chair remained aware of what was occurring at the school.

The board consistently made quorum and was engaged during board meetings. Board minutes were clear and concise and reflected discussion of critical areas such as finance and academics. The board minutes were structured in way that reflects the reporting of information from

Concept School and school leadership, and they could have benefitted from reporting discussions topics, concerns and/or questions from board member raised during meetings. In addition, board committees have not been established per the charter by-laws. This was noted in the 2011-12 Accountability Report. Because of these concerns, Indiana Math and Science Academy North **approached standard** for 2012-13.

2.4. Is there a high level of parent satisfaction with the school?	
STANDARD	More than 80% but less than 90% of parents surveyed indicate that they are satisfied overall with the school.

Not Evaluated. In the spring of each year, researchers administer anonymous surveys to parents of students enrolled at Mayor-sponsored charter schools. Parent satisfaction was measured for the 2012-2013 school year based on a total of only 37 surveys from parents/families. With a total enrollment of 519, this means that Indiana Math and Science Academy-North collected surveys from less than 10% of students' families. Accordingly, the survey information received was not statistically significant; therefore, the school could not be evaluated on this indicator for 2012-13.

2.5. Is the school administration strong in its academic and organizational leadership?	
STANDARD	The school's leadership a) has sufficient academic and/or business expertise; b) has been sufficiently stable over time; c) has clearly defined roles and responsibilities among leaders and between leaders and the Board; d) actively engages in a process of continuous improvement which has led to some mid-course corrections.

2012-13 Performance: Meets Standard

The administration of Indiana Math and Science Academy North was strong in its academic and organizational leadership. School leadership possessed a range of background and expertise in education and business. The school's leadership team included a Principal, Assistant Director, Dean of Students and Business Manager. The Principal was the founding principal of Indiana Math and Science Academy West and had prior leadership experience in both public and private schools since 1997. The Principal has previously worked in charter schools as a teacher, department head, assistant director, and director.

The Principal provided oversight on numerous aspects of the school while implementing policies set by the Board of Directors. The Principal assumed administrative responsibility for the planning, operations, supervision and evaluation of the educational programs and the annual evaluations of the school staff.

IMSA North had not experienced any leadership turnover; however, the principal was promoted to Superintendent of the Indianapolis schools at the end of the 2012-13 school year. In this new role, he will provide oversight for Indiana Math and Science Academies North, South, and West.

The school's Assistant Director will move into the Principal role. Roles and responsibilities between (and among) the school leaders and Board were clearly delineated. In summary, the school **meets standard** for this indicator for 2012-13.

2.6. Is the school meeting its school-specific organizational and management performance goals?	
Meets standard	School has clearly met its school-specific organizational goal.

Not Evaluated. Indiana Math and Science Academy-North did not have school-specific organizational and management performance goals to be evaluated for 2012-13.